

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Standard Notice to Assignee of Approved Assignment

Serial No. _____	
NOTICE	
ASSIGNMENT APPROVAL	Attached is a copy of your approved record title assignment or operating rights transfer. The policy of this office is to return copies of the approved assignment/transfer to the assignee. If the assignment/transfer is to more than one assignee/transferee, the copy(ies) will be returned to the assignee/transferee with the greatest interest or, in the case of equal interests being transferred, to the assignee/transferee that is listed first. If any private agreements are filed with the official BLM-approved form, the private agreements will be returned to the assignee/transferee.
RENTAL PAYMENT	If the lease is in a terminable (nonproducing) status with the Minerals Management Service (MMS), the annual rental payments must be mailed directly to the MMS at the following address: Minerals Management Service, Royalty Management Program, P.O. Box 5640, Denver, CO 80217. Failure to pay annual rental, which must be received by the MMS on or before the anniversary date of the lease, will result in automatic termination of the lease by operation of law. <u>There is no grace period allowed.</u> Termination of your lease is automatic and statutorily imposed by Congress when the annual rental is not timely received. The BLM has no discretion and merely notifies you of this occurrence. Termination is triggered solely by failure of the lessee to timely submit rental to the MMS. <u>The lessee has the responsibility to ensure that the rental payment is timely received.</u> Payments must be sent sufficiently in advance of the lease anniversary date to account for normal delays on the part of the U.S. Postal Service (or other Agent) in collection, transmittal, and delivery to the MMS.
LEASE TERMINATION	
MMS BILLING NOTICES	The MMS normally issues courtesy billing notices 75 days prior to the lease anniversary date, the date the rental is due. To expedite processing by the MMS, the party receiving the courtesy billing notice needs to ensure that they return the remittance portion of the notice with the rental payment. If a billing notice is not received, reference to the lease serial number needs to be made on the remittance. For leases where there are multiple lessees, the billing notice is generally mailed to the lessee holding the majority of the lease interest. You must notify the MMS in writing at the above-identified address if you wish to request a change in the party that is to receive the billing notice. Do not rely on receipt of a billing notice as a reminder to pay the rental. Failure to receive a billing notice will not prevent the lease from termination by operation of law if you do not pay the rental, nor is it considered a justifiable reason for not paying the rental on time.
PAYOR CHANGE	Except for rental payments that must be provided to the MMS at the above-specified address, all other lease matters, including address changes, relinquishments, transfers of interest, etc., must be directed to this BLM office at the letterhead address.